

Co-operatives Victoria

Minute of Board Meeting held at CEHL on 03 July, 2012

Present: Tony O'Shea (Chairman), David Dinning (Treasurer), Niel Black, Shirley Faram and David Griffiths (Secretary)

Apology: Linda Seaborn and Bill Bodman

Minutes of previous meeting

That the minutes of the previous meeting of 08 May 2012 be approved as amended as a true and accurate record. CARRIED

Director Resignation

That Dianne Batterham's resignation from the board be accepted. CARRIED

Meetings with Department of Primary Industry, Rural Finance and Andrew Heap

The Chairman read an email received from Sze Flett
Director, Horticulture Services on 2 July 2012:

"Further to your email of 29 June, and my response that day, I would like to provide the following more specific advice.

We envisage a two stage process for the provision of assistance to applicant groups under the marketing cooperatives initiative. The first stage is the development of a business plan to the required standard. Financial assistance to groups will be available for this purpose, but in some cases a suitable plan may already exist. The second stage is the determination of an assistance package to a maximum value of \$50,000, determined partly on the basis of the business plan.

Various activities will be eligible for assistance, including legal costs and capability development and training. A public announcement will be made shortly.

All matters related directly to financial assistance will be handled by Rural Finance. Provision of relevant market information and advice and some more general administration will be provided by DPI. DPI will allocate a case officer for each group to oversee and organise these services. Neither DPI nor RF will be involved in providing advice to applicant groups as to whether a cooperative within the meaning of the Victorian Cooperatives Act or some other corporate business structure is the most desirable for the applicant group. This issue is one to be resolved by the applicant group itself, either before or during the preparation of the business plan. It is up to the group as to whether and how it seeks professional advice on this issue, but it should be resolved during the preparation of the business plan at the latest.

It is my expectation that an applicant group seeking to establish a cooperative within the meaning of the Victorian Cooperatives Act would be likely to seek consultancy services from CFV in the preparation of the business plan. (There may be other suitable bodies, but at this point I am not aware of any). These consultancy services would cover the areas you nominate in your email, such as level of commitment, the right model?, and cooperative education, but they would also need to develop the business plan to the required standard. However, an applicant group seeking to establish a cooperative entity within a corporate business structure would normally see CFV as not possessing the appropriate skill set for the preparation of its business plan.

Once a business plan is prepared, the determination of the precise package of assistance measures is a matter for Rural Finance determination. The Victorian Government does not see any on-going role in supporting education programs in cooperation, or advice and assistance in cooperation.

Given the above, I see CFV as providing consultancy services on a case by case basis depending on the number of applicant groups seeking to establish a cooperative within the meaning of the Victorian Cooperatives Act. The appointment of a dedicated project officer within CFV could only be justified if there was a substantial demand for these types of services, which seems to be quite unlikely at present. There is scope for further discussion on funding for the cooperative start-up manual. As discussed at our recent meeting, your proposal should indicate what services you may be able to provide in view of this demand uncertainty."

There were discussions and the following resolutions adopted:

That the availability of Co-operatives Victoria to provide co-operative advisory services should be made known to communities and groups in the program documentation and that an opportunity should be provided to enable Co-operative Victoria representatives to meet with case workers to explain the co-operative model and the benefits.

That we ask Andrew Heap if he would be willing to provide his services on a referral basis to communities and groups interested in forming co-operatives on a fee for service basis negotiated with communities and groups.

That a formal submission for the revision of the Co-op Start Up Manual be submitted which details our initial requirements to be negotiated with the Department of Primary Industries.

David Griffiths reported that the rewrite by Graeme Charles was most satisfactory, that he was reviewing the rewrite and would provide Graeme with comments later this week and that we needed funds from Primary Industries to increase the payment to Graeme beyond the initial payment of \$1000.

He also suggested that a new layout would have to be designed and interactive features developed.

It was noted that the revised Manual should have a short version "summary" at the beginning and needed to ask why you want to form a co-operative and whether the structure and characteristics of a co-operative were consistent with expectations for establishing a co-operative.

New Zealand Co-operative Association

The Chairman reported that he had discussed the LEADing Board program with Ramsay Margolis who was forwarding a copy of the Workbook for review and that the NZCA used two presenters – Alan Robb and Peter Harris. He also reported that CBH had undertaken the program in February 2012 but that a CBH director had been more enthusiastic about workshops provided by (a) Murray Cook and Fabio Chaddad and also spoke highly of Professor Hamish Gow.

It was agreed to seek the views of Trent Bartlett, a CBH director, and ask Ramsay for a referee from a New Zealand co-operative that had undertaken the LEADing Board program.

It was noted that the cost was not that much different from the UK Co-operative College except that for airfares from New Zealand were cheaper than from the UK.

It was also noted that in Australia the challenge remained of persuading co-operatives of the importance of co-operative education.

UK Co-operative College

It was noted that Chris Cooper had reported that he was in discussion with Community Mutual, McLeay, Organic Dairy Farmers and bankmecu regarding potential workshops.

Annual General Meeting

It was agreed that the Annual General Meeting would be on 13 November 2012.

Action Report

Brazilian co-operatives will be visiting in August 2012. The co-operators are from agricultural and financial co-operatives and will meet with David Griffiths and Shirley Faram on 29 August 2012 at SEHC.

SouthEast Housing Co-operative Ltd and Co-operatives Victoria is organising a **workshop on Co-operatives National Law** on the 18 or 20 November 2012. The workshop will be presented by Jenni Mattila.

The **Chair of the Co-operative Bank Group and Deputy Chair of the Co-operative Group in the UK**, Paul Flowers, will be in Melbourne 27-28 September 2012. David Dinning will discuss with bankmecu – including a possible interview with bankmecu TV. Secretary will explore other options and accommodation booking.

Redesign of the victoria coop web site is almost complete and the new site should replace the old site within two week. New features include Google translate, comment option, social media options and videos. Google Analytics will also be installed.

Work is proceeding on compiling the **fourth list of Top 100 Co-operatives, credit Unions and Mutuals**. Niel Black is to forward Terang's revenue, staff and member numbers to Secretary asap. **House of Representatives** has been discussing co-operatives on 25 June 2012.

The last CA meeting agreed that a CA/Co-operative Federations presentation would be made to the **National Co-operative Conference** on 24-25 October 2012, Port Macquarie, NSW A final draft has been prepared by David Griffiths and the Executive Officer of Co-operatives WA, Peter Wells including suggested amendments by the Chair.

Tasmanian Report: Linda Seaborn had a productive meeting with Darren Dillon , Senior Clerk, Business Affairs Branch of Consumer Affairs & Fair Trading and his Manager Ann Owen last week. They are responsible for the registration etc of co-ops in Tas. They were amenable to putting a link to IYC on their webpage (we'll see if they do!) and also Darren is going to make a list for me of all incorporated associations with Co-op in their name.(I found one I didn't know about the other day). They are willing to be involved if/when we run workshops for business advisers/lawyers/accountants on co-ops 9after the national law, and the handbook is launched. Melinda continues to meet with other co-ops, mostly Resource Work Co-op and Source Wholefoods Co-op. Whether the conference/forum happens in Tas or not, we are definitely starting to build a stronger co-operative identity in Tasmania. Our government has invested in an economic development program with Ernesto Sirolli over the next few years. Sirolli is from the US I think. He is working with three particular rural regions of Tasmania. Public discussion so far has flushed out some interest in coops.

Co-operatives Australia and Social Business Australia

It was agreed that a letter would be sent to Social Business Australia as a follow-up to the earlier CV letter of 4 March 2012 which would:

Reaffirm our support for an effective and efficient national body.

Repeat our offer to assist in the development of this body.

Express our concern that there had been no meaningful response to this offer.

Point out that Co-operatives Victoria had an obligation to its members to work with the existing national peak Co-operatives Australian on issues requiring a national response such as Co-operatives National Law and National Regulations.

Financial Reports

The Treasurer tabled the following:

Profit/Loss 1 July 2011 – 30 June 2012

Balance Sheet 30 June 2012

That the financial reports be accepted. CARRIED

The Treasurer advised that he would finalise the statements, obtain some information from the Secretary, forward the final statements to directors and the accountant.

It was agreed that any queries from the accountant would be dealt with by the Chairman.

Next Meeting

It was agreed that the next meeting would be at SEHC at 11:30 a.m. on 11 September 2012.

Prepared by Secretary: 3 July 2012